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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

GARG, YOGESH C

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 12/01/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/863,010

Applicant(s)

WHITEHEAD, CLAY T.

Examiner

Yogesh C Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 10 September 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-22 is/are pending in the application.
- 4a) Of the above claim(s) 6,10,11,13 and 17 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-5,7-9,12,14-16 and 18-22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>8/28/01</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION***Response to Restriction Requirement and Election of Species & Arguments***

1. The "***Response to Restriction Requirement and Election of Species***" received on September 10, 2004 is acknowledged and entered. Applicant's election with traverse of **group I, and species of claim 12 in group I** in the cited "Response" is acknowledged. The traversal is on the ground(s) that **subject matter of all claims 1-22 is sufficiently related that a thorough search of the subject matter of any one group of claims would necessarily encompass a search for the subject matter of the remaining claims and therefore the search and examination of the entire application could be made without serious burden, even though it may include claims to distinct or independent inventions.** In response to the applicant's arguments, the examiner agrees partially, that is to consider and examiner both the groups I and II but would restrict the examination to the elected species of claim 12 and claims 2-5, 7-9, 12, 15-16 and 18-20. The examiner does not agree with the applicant that the search and examination of the entire application can be made without serious burden on the examiner, specially when considering the species of claims 6, 10-11, 13 and 17 which are directed to different embodiments, such as consolidated billing, effecting a change of service from one vendor to another and effecting a sale of one product and purchase of a replacement product and informing the user if one or more parameters in the user profile significantly affects costs. The elected species

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represented by dependent claims 1-5, 7-9, 12, 14-16, and 18-22 are directed to generating user profiles and target items closest to the consumer based on the generated profile which does not require search for the embodiments represented in claims 6-11 and 17-20. The requirement for election of species is still deemed proper and is therefore made FINAL.

Accordingly, claims 1-5, 7-9, 12, 14-16 and 18-22 are pending for examination and claims 6, 10-11, 13 and 17 are withdrawn from further consideration pursuant to **37 CFR 1.142(b)**, as being drawn to a nonelected species, there being no (allowable) generic or linking claim. Applicant timely traversed the restriction (election) requirement in "**Response to Restriction Requirement and Election of Species**" received on September 10, 2004.

2. Examiner cites particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

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form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-5, 12-16 and 21-22 are rejected under 35 U.S.C. 102(e) as being anticipated by Herz et al. (US Publication 20010014868), hereinafter referred to Herz.

Regarding claim 1, Herz teaches a method for administering consumer items over a global network, the method comprising:

(a) compiling a user profile relating to desired consumer items (see at least paragraph 002, "*..... The system automatically constructs and updates profiles of a plurality of shoppers based on their demographics and their history of shopping behavior, which history includes both their purchases and their requests for, or reactions to, product information.....*"

(b) accessing a database of items available from product and service providers and identifying relevant items according to user profile (see at least paragraph 0024, "*The primary functions of the system for the automatic determination of customized prices and promotions 100 are (1) to identify offers that are appropriate for each shopper, (2) to help the shopper become informed about these available offers, and (3) to facilitate any or all of the necessary transactions, such as electronic ordering or payment, if the shopper decides to accept an offer. The present system for the automatic determination of customized prices and promotions 100 concerns functions (1) and (2). In order to carry these functions out, the main computer 101 has access to databases of information about*

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possible offers (offer database 122), " . Note: The offer database 122 corresponds to the claimed database in the applicant's claim.);

(c) if the user profile incorporates an automatic best choice service, automatically implementing the relevant items, and communicating the implemented relevant items to the user and (d) if the user profile does not incorporate the automatic best choices service, communicating the relevant items to the user, and enabling the user to selectively implement the relevant items (see at least paragraphs 004, *The system automatically constructs product offers tailored to individual shoppers, or types of shoppers, in a way that attempts to maximize the vendor's profits. These offers are typically represented to the shoppers in digital form. They are communicated or to an on-line computer shopping system that directly makes such offers to shoppers. The shoppers can be in the market for any type of product or service, including but not limited to: retail products, financial services, professional services, and the like. " and 0024, " The primary functions of the system for the automatic determination of customized prices and promotions 100 are (1) to identify offers that are appropriate for each shopper, (2) to help the shopper become informed about these available offers, and (3) to facilitate any or all of the necessary transactions, such as electronic ordering or payment, if the shopper decides to accept an offer. In order to carry these functions out, the main computer 101 has access to databases of information about possible offers (offer database 122), " . Note: Informing the shopper automatically of the best offers based upon his profile and the offers stored in a database reads upon the recited limitation. If condition in (c) is satisfied then condition in (d) does not exist. See also paragraphs 0005, 0010 and 0246. Paragraph 0246 discloses that even if the offers database does not include the automatic best choice requirement for the user the system communicates a single best*

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possible offer for Crest tooth paste for the user's selection [Note: Crest tooth paste is not part of the user's preferred choices.);

Regarding claims 2-3, Herz discloses that the step (a) in claim is practiced by monitoring a pattern of consumer's item use or user-entered parameters (see at least paragraph 005, "*Largely by tracking the behavior of shoppers, the system accumulates extensive profiles of the shoppers and the offers that they consider. The tracking can comprise a number of sources of data to thereby utilize multiple attribute clustering to provide a more powerful analysis capability. As explained in the U.S. Pat. No. 5,758,257, shoppers can be profiled in terms of both their demographic characteristics (age, income, family structure, ethnicity, and the like) and their past shopping behavior (products purchased, length of time since last purchase, allocation of browsing time, attention span, price sensitivity, interest in detailed features, impulse buys, use of coupons, and the like). Offers can be profiled as well. the shoppers who tend to buy the product, other products frequently bought on the same shopping trip, the sales pitch, the price and terms of payment, any discounts provided, and the relative attributes of competing offers.*" . Note: Tracking shopper's purchasing behaviors and the products purchased by them, etc. reads on the limitations of claims 2-3.

Regarding claim 4, Herz discloses periodically repeating steps (b)-(d) (see at least paragraphs 0300-0301, "*.....By decomposing purchase patterns for various product groups across different frequency ranges, we can learn more about seasonal buying behavior. It may turn out that a certain group of shoppers receives their paychecks exactly once a month. This group would clearly be a target for impulse purchases or slightly more expensive items, as they have more cash to spend at that time.....Time series methods are also useful for detecting trends; one could do a linear regression on sales for a certain product over time, determining the overall direction of a product's sales. This information could be used to adjust offer-generating strategies, as it would indicate a waxing or waning of*

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a customers overall interest in a given product. ". Note: Contemplating to target shoppers every month when they get their paychecks corresponds to periodically repeating steps (b)-(d) of claim 1.

Regarding claim 5, Herz teaches that the relevant items are identified based on a lowest cost consistent with the user profile (see at least paragraph 0036, "*Determine Shopper's Goals--Optionally, the shopper may indicate a particular type of offer in which he or she is interested--for example, large-sized, mail-order dress shirts costing under \$30. ...*" , and paragraph 0005, "*As explained in the U.S. Pat. No. 5,758,257, shoppers can be profiled in terms of both their demographic characteristicsand their past shopping behavior (products purchased, length of time since last purchase, allocation of browsing time, attention span, price sensitivity,* ").

Regarding claim 7, Herz discloses communicating with users via e-mail (see at least paragraphs 0051, "*.... Any of the transactions between the main computer and a shopper or shopper's terminal might instead be handled through other means of communication, such as conventional mail, electronic mail, telephone, and conventional payment systems.* ").

Regarding claims 8 and 9, Herz teaches that the consumer items comprise subscription services (see at least paragraph 0136, "*list of on-line newspapers and magazines subscribed to by shopper (associative)* ") and practicing on a one-time basis to effect a purchase of a particular product (see at least paragraph 0005, "*..... The system can then select, present, price, and promote goods and services in ways that are tailored to an individual consumer. detailed product information screens can be subtly rearranged, lengthened, or*

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shortened from one type of shopper to the next. Furthermore, when a product can be tailored to a particular shopper, a general technique or expert system can offer each consumer an appropriately customized product. ").

Regarding claim 12, the step of identifying related items available at a low incremental cost separately and communicating identified related items to the user is already analyzed in claims 1 and 5 above. As regards identifying and relating combinations, see paragraphs 0247-0250, "*Joint Promotions The same profiling approach described above can be used to select joint promotions. The basic method is to observe what items are bought by similar customers. For example, purchasers of beer at convenience stores are observed to also tend to purchase chips, pretzels and (less obviously) baby diapers. Such correlations can be noted from users' on-line purchase histories and used to generate joint promotions ("buy a new set of skis and get a free lift ticket at a ski resort") known as data mining. Similarity may be used as a criteria for integrating two or more products into a single promotional offer. Also, she really likes getting discounts, and she likes buying in large sizes. Then the system should try to find two large-size products that can be discounted and pitched as healthy, and bundle them together. For example, it might tell her that if she buys a family-size tube of plaque-fighting Crest at 10% off AND a set of three at 10% off, then she'll get an extra dollar off. "*. Note: Joint promotions are directed to combination of related items).

Regarding claims 14-16, 18-22, their limitations are closely parallel to the limitations of claims 1-5, and 7-9 and are therefore, analyzed and rejected on the same basis.

Conclusion

4 The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

(i) US Patent 6,519,571 to Guheen et al. discloses a method for dynamic customer profile management comprising the steps of: (a) developing a user profile comprising user indicia; (b) prioritizing a plurality of features characterizing an item for purchase, based upon the user profile; (c) customizing a display of the item for purchase so as to accentuate features with high priority; (d) displaying the item for purchase; and (e) allowing the profiled user to select the item for purchase (see claim 1). The examiner observes that Guheen's patent can also be used to render the limitations of independent claims 1, 14 and 21-22 obvious.

(ii) US Patents 5,963,916 to Kaplan (see at least abstract), 5,931,901 to Wolfe et al. (see at least abstract) and 6,704,930 to Eldering et al. (see at least abstract) teach a system and method for developing market research data/advertisements by compiling user's profile to target required subject-matter for viewing on-line by the users.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C Garg whose telephone number is 703-306-0252. The examiner can normally be reached on M-F(8:30-4:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 703-308-1344. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Yogesh C Garg
Primary Examiner
Art Unit 3625

YCG
November 29, 2004
